

## House Education Committee

DATE 1/25/2013

Hearing on House Bill 178, Friday, January 25, 2013 HB 178  
Sponsored by Representative Jean Price, House District 21

Jane Lee Hamman, Clancy, MT 59634

Madam Chair, members of the Committee, for the record my name is Jane Hamman—that's HAMMAN. I'm here representing the Montana Traffic Education Association. Usually referred to as MTEA, it's a nonprofit membership group of 190 certified teachers who strongly support roadway safety, that provides outstanding traffic continuing education and \$5,000 accident and life insurance for members. Thirty years ago I selected Montana as the best place--where I wanted to work and retire. I worked first in the Legislative Fiscal Division and then Representative Hunter's brother, David, interviewed me and I moved to the second floor to work for him and Governor Ted Schwinden in the Office of Budget and Program Planning, where it also was my honor to serve with many fine directors and governors, including Senator Lewis and Senator Swisgood. In retirement, I began contracting with MTEA as their session lobbyist. I can't begin to describe for you how impressed I am with the dedication and skills of these teachers—how committed they are to doing everything possible to educate our precious, sometimes distracted and temperamental teens, both in the classroom and on the road. They truly help ensure that kids have the best chance to still be alive at 25.

Since I've helped to write thousands of fiscal notes, let's take a look at the note for HB 178. The Title: Revise driver license fee allocations, in order to increase traffic education account funding. There is NO Fee increase on any drivers license. What folks pay for their license will be unchanged by this bill.

Expenditures in the Traffic Ed state special revenue program—from \$1 M in FY 2014, to \$831 K in FY 2015 and across the row-- would increase an average of \$922 K per year for the next 4 years. That sounds like a lot of money! But when we divide \$922 K by the 8,330 students served in 2012, that is only \$111 per student per year. Given the decades with no funding increases, when this program was figuratively and sometimes literally held together with duct tape, \$111 is a pittance. When as a matter of public policy, we consider the enormous emotional, medical and property costs of 22 fatal crashes, 163 incapacitating injuries, and 1,239 other injuries requiring medical treatment among 15-19 year olds in 2011, this \$111 per student expenditure may be thought of as a very sound, cost-saving investment.

Why, you may ask, the big change from \$1 M the first year to \$831K the second year. It is primarily due to continuation of the transition from four-year to eight-year licensing as adopted by the Legislature, plus using a weighted age average for renewal. I met yesterday with Ralph Franklin, Lead Revenue Analyst in the budget office, to review the license model assumptions used in this fiscal note. You will find license fees revenue details in Volume 2 of the Governor's Budget, Section 9 pages 10-13. I commend the budget office for a very thorough analysis of this account.

Look at the Revenue summary. Two rows: the general fund decreases by exactly the same amount that the state special revenue—which is the \$ to the traffic education account-- increases each year. The size of the pie—the amount of the revenue collected for basic and commercial driver licenses is not changed. The proposed bill increases the distribution to the traffic ed account. The general fund is decreased by a like amount. The rest of the fiscal note contains assumptions and calculations for your information.

In all my years in the LFD and Budget Office, the traffic education account has not had an allocation increase. You had testimony at your last meeting about thousands upon thousands of dollars spent on various K-12 studies over the last three decades to revise the school funding formula and legislative action to provide funding increases for quality education. In that process, traffic education has been like a left-out stepchild. Now this session, there is talk of significantly increasing education funding again, by up to \$80 million dollars over the next two years. It is my hope that, with your understanding and support after this hearing, whatever that final total increase is, about \$1.8 M of it will be for traffic education via HB 178. I hope you will pass this bill and keep it alive through House Floor action so that, in the final weeks of the session, a slice of the K-12 funding increase will be for traffic education. Thank you.